AMENDED IN ASSEMBLY JUNE 9, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

Assembly Joint Resolution

No. 14

Introduced by Assembly Member Koretz

March 17, 2003

Assembly Joint Resolution No. 14—Relative to the Arab economic boycott of Israel.

LEGISLATIVE COUNSEL'S DIGEST

AJR 14, as amended, Koretz. Arab economic boycott of Israel.

The measure would urge the President of the United States and the Governor to strictly enforce United States and California antiboycott legislation. This measure would condemn the Arab League's economic boycott of Israel and call on the Arab League and its members to disavow and end this boycott.

Fiscal committee: no.

- 1 WHEREAS, In 1946, the Arab League instituted an economic
- 2 boycott against the Jewish community in Mandatory Palestine,
- and after the State of Israel was born in 1948, the Arab League
- 4 established a Central Boycott Office in 1951 to coordinate the
- 5 Arab effort to strangle Israel economically; and
- 6 WHEREAS, The Arab boycott operates on several levels: the
- 7 primary boycott prohibits Arabs from doing business with Israel,
- 8 the secondary boycott blacklists companies doing business with
- 9 Israel, and the tertiary boycott blacklists companies doing business
- 10 with companies targeted by the secondary boycott; and

AJR 14 -2 —

1 WHEREAS, In the 1980's and 1990's, Arab enforcement of the boycott diminished, but in October of 2002, 18 members of the

- Arab League meeting in Damascus, Syria (Egypt, Jordan, and
- Mauritania not attending) agreed to reactivate the Arab economic

5 boycott of Israel; and

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WHEREAS, The Arab economic boycott of Israel damages Israel's economy, harms the peoples of the Arab countries by limiting their economic freedom, and potentially affects California's economy; and

WHEREAS, Participation in the economic boycott of Israel by the Arab League and its members calls into question the Arab commitment to the peaceful resolution of the Arab-Israel conflict;

WHEREAS, While the recent moves toward reform in the 14 Palestinian Authority and renewed United States and international engagement have produced hopeful signs of progress on the path towards peace, participation in the economic boycott of Israel by Arab states continues to call into question the Arab commitment to ending the Arab-Israeli conflict and the support for a comprehensive peace in the region; and

WHEREAS, Participation in or compliance with the Arab economic boycott of Israel is illegal under the United States Export Administration Act of 1979 (50 U.S.C. App. Sec. 2402 and following), and California state trust moneys may not be invested in business firms that comply with the Arab economic boycott of Israel, nor may state moneys be deposited with financial institutions that comply with the Arab economic boycott of Israel (Sec. 16649.80 and following, Gov. C.); now, therefore, be it

Resolved by the Assembly and Senate of the State of California, *jointly.* That the Legislature of the State of California strongly condemns the Arab League's economic boycott of Israel, and particularly the October of 2002 decision to reactivate the boycott; and be it further

Resolved, That the Legislature of the State of California calls on the Arab League and its members to demonstrate a commitment to peace with Israel by disavowing and ending the economic boycott of Israel; and be it further

Resolved, That the Legislature of the State of California urges the President of the United States and the Governor of California to strictly enforce United States and California antiboycott legislation; and be it further

—3— **AJR 14**

- 1 Resolved, That a copy of this resolution be transmitted to the President of the United States, to each Senator and Representative from California in the Congress of the United States, to the Governor of California, and to the Arab League.